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## THE COST OF LIVING FOR A WAGE-EARNER'S FAMILY IN NEW YORK CITY

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The problem of living as it confronts the city wage-earner today not only concerns the whole question of wages and labor, but also housing conditions, the rent problem, the cost of food and fuel, his pleasure and recreation, the education of his children, and some provision for the future. The standards of a workingman's neighborhood recognize the wife as the financier of the family group. It is not an unattained ideal, but a regular standard of respectability that a "good husband turns over to his wife all his wages, and receives from her \$1 or \$2 a week for his 'spending money.' " The earnings of the younger children all go to the mother, and the older children pay board to her from \$3 to \$8 per week. She is the manager and dispenser of the household income, and provided that income is of average size and fairly steady, the comfort of the entire family depends upon her character and ability. With no domestic training, the average working girl goes straight from the factory, store or office to start a new home. Sometimes the results are deplorable, but generally though extravagant and wasteful at first, through ignorance, an intelligent and honest woman soon works out a system of household economy that is surprising. In many cases, as we all know, good management goes far toward making adequate an income generally believed insufficient for the necessities of life. A study of expenditures in a wage-earner's family is therefore largely one of the household management of the mother.

A few years ago, while resident at Greenwich House, a social settlement on the lower west side of New York City, I had the opportunity of making an intensive study of the incomes and expenditures in 200 wage-earner's families in that neighborhood. Residence in a settlement gave an unusual opportunity to know personally and often intimately the families who were carefully selected as representative

of different incomes and nationalities. I believe that my assistants and I had the confidence and friendship of all the women who gave us this information. They coöperated intelligently and faithfully in keeping simple household budgets, or in making careful verifiable statements. They were probably somewhat more intelligent than the average of the class in which their economic life is cast, which enabled them to give the investigators a more accurate knowledge of expenditures in wage-earner's families than less intelligent women could have done. This inquiry covered a period of two years and the results were compiled for one year. The incomes from all sources varied from less than \$300 to over \$2,000 a year—both of these extremes are exceptional, but each represents a class. Only 27 had incomes less than \$500 a year (the very poor are not representative of the normal workingman's family); 57 had incomes over \$1,000 a year; the largest number (116), therefore, had incomes between \$500 and \$1,000 a year. The 47 more prosperous families who were able to report any surplus, averaged \$104.37. Almost half the families came out even at the end of the year, and 55 families had a deficit, making three-fourths or 75 per cent who were unable to make any provision for a "rainy day," unless insurance is considered a form of saving. It is in only exceptional cases that it is possible for a city workingman's family, of average size and income, to make much provision for the future—in many cases it seems entirely a question of luck whether there will be a surplus or deficit. The average housewife plans to spend her income each week as carefully as she can, but she is seldom able to prepare for a future season of unemployment or a time of sickness or death. If these crises come, there is likely to be an indebtedness or dependency, or at best she may manage to come out even at the end of the year.

In order to analyze the cost of living for a city wage-earner's family, an income from all sources of \$850 a year may be chosen as a representative one for a normal family of five or six persons. Other investigations as well as my own, have placed this as a fair average for workingmen's families in a city like New York. It is a little above the point where the average family ceases to run in debt. I have no desire to place the income at the lowest point possible for the maintenance of purely physical efficiency, but rather to allow enough margin to enable a self-respecting family to maintain a fair physical and moral standard under city conditions. Whether this income is sufficient for such a standard, I shall endeavor to show.

A careful housewife would plan definitely how to spend this income of \$16.50 per week to the best advantage. On this amount, some families live comfortably, others suffer privations, owing to the regularity of the weekly income, size of the family, and character and amount of the expenditures. In the order of their importance, all expenditures can be grouped under the heads of rent, food, clothing, light and fuel, insurance and sundries.

First of all, rent and food are the two absolutely necessary expenditures. Many women plan to keep the rent equal to the weekly income or about one-fourth of the total expenditures. This is an unformulated economic ideal with them. The very poor in the city must spend as high as 30 or 35 per cent of their income for rent. They move to better rooms as the income increases, while the percentage of expenditures for rent decreases. The average rent for 200 families was \$13.50 a month, 19.4 per cent of the total expenditure. City families move very frequently, either to better themselves, or for lower rents, as rents are constantly increasing. There is no permanent home in a city tenement! In order not to be overcrowded, the evils of which in health and morals are apparent, a normal family of this size and income would consider it necessary to have an apartment of 3 or 4 rooms, for which they would pay, at present rates, from \$12 to \$16 or \$18 a month. A conservative expenditure for rent would be \$14 a month or \$168 a year.

The food for the family must next be provided. The amount estimated by dietitians as necessary for food varies from \$1 a week for each person not an infant, to \$1 a day for families of moderate size. Recent investigators place an expenditure of 22 cents per man per day as absolutely necessary for physical efficiency at city prices. In a family of father, mother and three children under 14 years of age (say 12, 8 and 3), this would require about \$5.70 for a minimum expenditure, according to the United States Bureau of Labor estimates, or \$5.08 if we use Atwater's factors in estimating dietary standards. This implies a scientific care in the selection and preparation of food, which it is unfair to expect from a housewife in a typical industrial family. The most economical expenditure for food requires far more knowledge than is possessed by the average woman anywhere!

Malnutrition is very prevalent in city wage-earner's families, due both to small incomes and to ignorance in buying the proper food.

Often there is enough food, but to us a depressing lack of variety. Yet compared with that of other countries, it is generally agreed that the ordinary diet of the American workingman's family is abundant and varied. Foreigners bring their macaroni, bologna and beer, or potatoes and tea standards to this country, but different conditions of labor and climate soon modify and enlarge this diet, or the family remains under-nourished. A dollar a day was generally regarded by the women themselves as an adequate amount for food for a family of five or six, "if we have all we want."

The wives of city wage-earners are often criticised for buying food and fuel in small amounts; for example: potatoes and vegetables by the quart or half-quart, sugar and flour by the pound, tea and coffee by the quarter-pound, a single carrot, turnip or onion and 1 cent's worth of salt, pepper, vinegar, etc. This "habit" is often a necessity because of limited storage facilities, and of only enough money for each day's needs. Even the poorer housewife knows what good bargains are; she knows she could buy six bars of soap or three cans of tomatoes for 25 cents, butter for 35 cents a pound, sugar 5 cents a pound, or a bushel of potatoes for \$1. But she has to divide her money so closely that she can only buy one bar of soap at 5 cents, one can of tomatoes at 10 cents, a quarter-pound of butter at 9 cents, half-pound of sugar for 3 cents, and one quart of potatoes at 10 cents (\$3.20 a bushel). She has lost heavily on every one of these purchases, and she knows it, but her purse must be stretched each week to cover not only food, but coal and gas, perhaps the rent, the insurance, a pair of shoes or a new coat for one of the children. Truly "the destruction of the poor is their poverty." Many careful managers do buy their groceries for a week on pay-day night, or watch for sales in department stores and buy in quantities. Whether this is possible on an allowance of \$7 a week for food, depends entirely upon the intelligence of the housewife, and the regularity of her income, which may vary greatly from week to week, making such systematic buying impossible.

It is extremely difficult to estimate the amount the average housewife on this income needs to clothe her family. Families of nearly the same size and income spend very different amounts, according to their standards of living, and the skill of the mother. When the mother cannot sew, the cheapest ready-made clothing must be bought, which wears out quickly and is often not worth repairing. This extravagance almost justifies the other alternative—buying better

quality on installment. Many families of this grade have clothes given to them by friends and relatives, or buy secondhand clothing. Making all allowances and itemizing the articles at the prices paid for them, I believe \$100 a year should be the minimum allowance to clothe warmly and decently an average family of five or six in the city. Allowing for some attractiveness and a better grade of clothes, \$120 a year would be necessary to clothe such a family with the standards desirable on an income of \$850.

There is no item in which the economy or extravagance of a city housekeeper shows more quickly than in the expenditure for heat and light. One woman may burn two bushels of coal a day in winter while a careful housewife with the same number of rooms and stoves only burns three or four bushels a week. In most cases, coal like food is bought in small quantities, by the bushel or pail, and for the same reasons. During the two years of my investigation, coal cost \$6 to \$6.50 a ton, or 25 cents a bushel or 10 cents a pail. Gas is burned by the quarter-metre, 25 cents for 250 cubic feet. Wood for kindling and sometimes for fuel is frequently gathered by the children on the streets, and is therefore an irregular expense. The twenty-five families with incomes between \$800 and \$900, averaged \$44.51 a year for light and fuel, so that \$40 is a reasonable allowance for a housewife to have in order to heat and light her three or four small rooms with only one stove.

So far we have only considered the expenditures necessary to maintain a fairly normal, physical standard on an income of \$850 a year. These have been estimated as food, \$364; rent, \$168; clothing, \$100; light and fuel, \$40—total \$672, or almost 80 per cent of the income. This leaves only \$178 to provide for sickness and death in the form of life insurance or membership in benefit societies, and to maintain what may be called the moral or intellectual standard of the family—the so-called culture wants.

Of these expenses, that for life insurance is the largest and the most universal. Only 26 out of my 200 families did not carry insurance, and most of them were very poor or shiftless and improvident. It is usually the industrial or fractional kind frequently called workingmen's insurance. The policies are from \$50 to \$300, and 10 cents a week or more is paid for each member of the family. The usual amount paid by an average size family was from \$30 to \$40, the average amount in families who carried insurance being \$37.19. I found

this expenditure as high as \$127 a year with an income of \$1,200. In many families the amount carried is a real burden. "Insurance keeps us poor," I have frequently been told, and yet they will be dispossessed or go without food or clothing in order to keep up the insurance.

The insurance is almost invariably spent on the funeral, the larger the policy the finer the funeral. Undertakers are often unscrupulous, obtain possession of the policy, and make the cost of the funeral equal to the whole amount of the insurance. Where there is no insurance, the family is plunged into a debt which it takes years to repay. In spite of the burden it is to many and the excessive rate that is paid for this form of insurance, the knowledge that this provision has been made for sickness or death, fosters a pride and a spirit of independence, and a horror of pauperism and burial in the potter's field, that are commendable. Thirty-five dollars would be considered by our wage-earner's family a fair and necessary provision to make for insurance.

There is now only \$143 left for all other expenses, which I have classed in my report as sundries. These expenditures naturally and invariably increase with the income. I will venture to suggest some of the expenditures which a normal family on an income of \$850 would consider essential to their happiness and comfort. I base these estimates on my knowledge of wage-earner's standards, and on the averages for similar families in my investigation and have endeavored to underestimate rather than overestimate them, giving them as suggestions, not as scientifically proved facts.

This typical family would probably buy a penny paper several times a week, or only the Sunday edition, and a few of the more popular magazines—in all not more than \$5 a year for this purpose. For recreation, summer excursions, dances and theatres, they would consider \$20 a moderate allowance; for drink, if they occasionally had a pint of beer for supper, and the man was not a hard drinker, \$20 would be a low estimate; for furniture, kitchen utensils, etc., \$15 would be a fair average; for church dues, \$5; for spending money for the father, \$50 (this would include shaving money, tobacco, car-fares to work, union dues, and drink outside the home); for occasional sickness, \$10 or less, depending how much free dispensaries and hospitals are used; and for miscellaneous expenses such as domestic service in time of sickness, soap and washing materials, writing paper,

stamps, moving expenses, etc., another \$18 would soon be used; total for sundries, \$143. If there was no expenditure for drink in the family outside of the man's spending money, as was the case in more than half of my families, that allowance could most acceptably be applied on more and better clothing and furniture or for the education of the children. It will readily be seen that these estimates may overlap, but on the whole I think it will be admitted that they are barely enough to make life worth living for a normal workingman's family. They do not allow for much "expansion of the soul!"

Our wage-earner's family has spent every cent of its income, nothing has been saved, and no allowance has been made for any exceptional expenses, such as continued illness, nor any provision for a long period of unemployment, nor anything for the education of the children; and an income which does not provide for these things, as well as a moderate standard of comfort and well-being, is not sufficient for a normal wage-earner's family. Thrift or extravagance may modify these expenditures somewhat, in individual cases. We find the characteristic German thrift, Italian economy, Irish lavishness and American extravagance. If we define thrift as saving in order to provide for future ease or emergencies, it is frequently impossible in the average wage-earner's family. With a variable income a systematic housekeeper can never get ahead. She may set aside \$20 to \$100 during the busy season, but it must be used when work is slack and income irregular. There is a limit or danger-line below which this kind of thrift is a menace. It is not the right kind of thrift which crowds six persons in two rooms, or ten persons in three rooms. It is not a wise economy which tends to lower the vitality of any member of the family in order that provision may be made for the future. As Mr. Rowntree says: "There is frequently no margin for thrift, money saved means necessary food foregone."

If however we define thrift as good management, as getting the most for one's money, and as lack of waste, then it is as highly desirable among wage-earners as elsewhere—and thanks to the native intelligence and common-sense of the mother, it is frequently found to make adequate an income otherwise insufficient for the necessities of life. A sympathetic study of the economic and social environment of city wage-earners will find among them an encouraging amount of this kind of thrift.



These facts are only representative, perhaps only indicative of the social economy of wage-earners. It is evident that most families must live from week to week, that the amount of comfort attainable on a given income depends largely upon the ideals and ambitions of the mother, but that even a provident and capable housewife can make very little provision for the future and keep her family in health and comfort, unless her income is of moderate size and fairly steady.

Higher incomes, without a corresponding increase in prices, are desirable, but beyond the question of wages and income, is that of the practical and domestic education of the women in whose hands lies the distribution of the household income. In spite of educational and industrial limitations, thousands of women do manage admirably, but to bring expenditures down to an ideal economy is not within the ability and training of the ordinary wage-earner's wife. If the native intelligence and ambition of the average housewife could be supplemented by systematic and universal instruction in marketing, food values, cooking and sewing, in our public schools and civic centers, the increased efficiency in their homes would be apparent. In education for household efficiency lies one of the most important means of bettering the social and economic condition of our city wage-earners.